



DEPARTMENT OF HAWAIIAN HOME LANDS

News Release

LINDA LINGLE
GOVERNOR

Micah A. Kāne, Chairman
Kaulana Park, Deputy to the Chairman
Phone: (808) 620-9500
Fax: (808) 620-9529

For Immediate Release
June 19, 2008

DHHL Project to Ease Traffic, Provide Job Opportunities and Improve Quality of Life

HONOLULU--Officials from the Department of Hawaiian Home Lands (DHHL) and Hawai'i Debartolo LLC announced today they have finalized a lease option agreement to develop a multi-million dollar shopping center complex that will have far-reaching benefits to the quality of life for Leeward O'ahu residents.

"This project is one of the major anchors for East Kapolei that will allow people to work and play where they live," said Micah A. Kāne, director of DHHL. "We don't always realize how important that can be. This project will provide job opportunities, reduce traffic and give families back hundreds of hours they now spend commuting."

Kāne said people on the leeward coast spend up to three hours a day in traffic and the savings of three hours a day, five days a week, for 52 weeks, means getting back 780 hours a year.

"That's the real story of this agreement. It means 780 hours a year more that Leeward O'ahu residents can spend with their family, doing things with their kids, and even things we should take for granted like eating dinner with family," he said. "This project will have a great impact to every part of a family's life."

The shopping complex project is a major economic component of the Kapolei Regional Plan that seeks to create a master-planned community with the smart growth concepts of live, work, play and learn within one region or area.

The plan also includes the University of Hawai'i West O'ahu Campus, the Kroc Community Center, and road improvements such as the North/South road, the East/West road and the Kapolei Parkway extension into 'Ewa. DHHL is also planning more than 1,000 new homes in the area and the Hawai'i

Housing Finance Development Corporation is finalizing negotiations for the construction of more than 1,400 new rentals.

“This venture is another example of DHHL making life better for their beneficiaries and everyone else in our state,” said Governor Linda Lingle. “DHHL and its partners have been an important catalyst in making Kapolei a true second city and building communities statewide.”

Ed Kobel of Hawai‘i Debartolo, LLC said the development will provide up to 4,000 new jobs and significantly reduce the number of vehicles from the H-1, bringing relief to over-crowded freeways.

The project is planned for 1.6 million square feet of retail space, two hotels, multi-plex theaters, underground and storefront parking, and office space.

“We are very please that both DHHL and Debartolo took the time to do this right,” he said. “The concept of this shopping center will be based on sustainability and integrate the ideas that we gather from the community.”

“Living in Kapolei and having worked in downtown Honolulu, I know what it’s like to spend hours on end stuck in traffic,” said Shirley Swinney, president of the Maluohai Homestead Association in Kapolei. “The time gained back by working close to home is priceless, and when you add the savings on gasoline, life just got a whole lot better.”

“We have been working on getting Kapolei to be a ‘whole’ city and we can begin to see it all coming together,” said Maeda Timson, Kapolei Neighborhood Board member. “The economic opportunities with this site, the educational opportunities with the West O‘ahu Campus, and the already developing road improvements moves people off the freeways and that makes for a better lifestyle.”

“The construction projects from this commercial site and the rest of East Kapolei will play an important role in helping to boost our economy,” said Kyle Chock, executive director for the Pacific Resource Partnership. “We are very happy to see this move forward because this project and the other projects like the Kroc Community Center and DHHL’s affordable homes, are all for Hawai‘i’s people.”

The final lease agreement will be for 65 years with the first 25 years generating more than \$142 million dollars for DHHL.

Hawai‘i Debartolo, LLC is expected to invest more than \$400 million dollars into the project over the next 10 years.

DHHL provides single-family affordable housing opportunities for beneficiaries of the Hawaiian Homes Trust, and generating revenue to pay for infrastructure costs is critical to their housing developments.

Spread over every major island, DHHL infrastructure costs average anywhere between \$100,000 and \$200,000 per single-family lot.

#####

Media Contact:

Lloyd Yonenaka, Information and Community Relations Office
DHHL, Tel: (808) 754-0078, Lloyd.Yonenaka@hawaii.gov